

Amendment No. 1 to SB2348

Kyle
Signature of Sponsor

AMEND Senate Bill No. 2348***House Bill No. 3171**

By deleting all of the language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 55-6-107, is amended by deleting the section in its entirety and by substituting instead the following:

Section 55-6-107.

(a) The proceeds of the taxes levied by chapter 4 of this title shall be apportioned by a distribution of ninety-eight percent (98%) thereof to the highway fund and two percent (2%) thereof to the general fund. The funding board is authorized to allocate such portions of these funds as are required to meet the annual requirements for payment of the state debt. Notwithstanding the foregoing, from the distribution to the highway fund the revenue shall be allocated to the general fund in an amount sufficient to fund the cost of issuing motor vehicle registration plates, such amount to be established in the annual appropriations act.

(b) The fees collected under Class (F) of § 55-4-111 shall be allocated on the basis of ninety-five percent (95%) to the county and municipality in which the collection is made and five percent (5%) to the state; provided, that all the fees plus penalties thereon which are collected as a result of assessments and citations, or either of them, written by representatives of the department, shall be allocated to the state. Not later than the tenth day of the month following the month in which such collections are made, the county clerk shall report and remit that portion of the fees allocated to the county and municipality to the proper county and municipality fiscal officers, and that portion of the fees allocated to the state to the commissioner in the same manner as other revenues collected under

the provisions of chapter 4 of this title. Such fees paid to the commissioner shall be apportioned in the same manner as other motor vehicle revenue under the provisions of subsection (a). The distribution of the fees allocated to the county and municipality shall be as follows:

(1) One half (1/2) of the proceeds shall be expended and distributed in the same manner as the county property tax for school purposes.

(2) The other one half (1/2) shall be as follows:

(A) Fees for mobile homes or house trailers located in unincorporated areas, to the county general fund; and

(B) Fees for mobile homes or house trailers located in incorporated cities and towns, to the city or town in which the mobile home or house trailer is located;

However, a county and city or town may by contract provide for other distribution of the one half (1/2) not allocated to school purposes.

(c) The proceeds of the three cents (3¢) or five cents (5¢) per pound overload taxes assessed under § 55-4-113 shall be apportioned by a distribution of seventy-five percent (75%) thereof to the highway fund and the remaining twenty-five percent (25%) to the general fund for the expense of administering the law.

(d) Notwithstanding any provision to the contrary, the increases in registration tax revenue generated by the Motor Carrier Funding and Tax Administration Act of 1993 shall be specifically earmarked for use only for the cost of development, implementation, maintenance, and operation of the Tennessee international fuel tax agreement (IFTA) and motor carrier system project. At the close of the fiscal year ended June 30, 1998, and at the close of each fiscal year thereafter, remaining unexpended earmarked funds, if any, shall

no longer be considered earmarked for the agreement and project and shall be apportioned and distributed under the provisions of subsection (a).

SECTION 2. This act shall take effect July 1, 2004, the public welfare requiring it